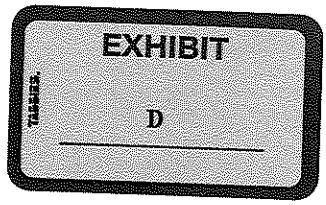
IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA



HAYNES INTERNATIONAL, INC., a Delaware corporation,	)	
Plaintiff,	)	Civil Action No. 04-197(E)
v.	)	JURY TRIAL DEMANDED
ELECTRALLOY, a Division of G.O. CARLSON, INC., a Pennsylvania corporation,	)	Judge Cohill
Defendant.	)	

DECLARATION OF PAUL MANNING

1. I am Director of Marketing for Haynes International, Inc. ("Haynes"), and have held that position for the past four years.

2. I have a Bachelor of Science Degree and Ph.D. in materials engineering from Rensselear Polytechnic Institute.

3. I joined Haynes as a corrosion engineer in 1979 and have held various engineering and marketing positions with the company since that date. However, I left the company in 1994 and returned in May, 2000.

4. Haynes is a manufacturer of nickel based alloys and cobalt based alloys. We are a leader in the development of new nickel based and cobalt based alloys and methods of manufacturing these alloys. During the past three years Haynes received eight United States patents in this field.

5. Haynes manufactures several corrosion resistant alloys which are used in the chemical, petroleum, pharmaceutical, waste treatment, electric power generation and other industries, in products that are exposed to corrosive liquids and gases.

6. In the late 1970's, Haynes developed a nickel based corrosion resistant alloy which we designated as C-22 alloy. U.S. Patent No. 4,533,414 was issued to Haynes for this alloy on August 6, 1985 and expired August 6, 2002. This alloy has a nominal composition of 56% nickel, 22% chromium, 13% molybdenum, 3% iron, 3% tungsten, 2.5% cobalt, and minor amounts of other alloying elements. Haynes first sold this alloy in 1984 as Haynes Developmental Alloy C-22 in wire form to repair welds on a bleach plant mixer at the Crown Zellerback plant in Camas, Washington. Since that time, Haynes has sold C-22 alloy in the form of sheet, plate, wire, bar, tubing, piping, coated electrodes, and welding filler material, such as welding rods. Haynes' C-22 trademark is roller marked in ink on most forms of the alloy. Welding rods are sold in containers bearing a label having the C-22 trademark. Because this alloy is resistant to a variety of industrial chemicals, the alloy has been fabricated into a variety of components for chemical and pharmaceutical processing equipment, as well as equipment used in flue gas desulfurization and waste processing. The alloy has been widely used and is a very successful product of Haynes.

7. The metals industry has developed a numbering system known as the Unified Numbering System, or UNS, under which metal alloys can be classified according to their nominal compositions. Haynes' C-22 alloy falls within UNS No. N06022.

8. In 1996, Haynes registered C-22 as a trademark for "unwrought and partially wrought common metals and their alloys in various forms including sheet, plate, wire, bar, billet, tubing, piping, coated electrodes, fittings and welding filler material and castings". Haynes filed

Affidavits under Sections 8 & 15 of the Lanham Act, which were accepted and acknowledged by the United States Patent and Trademark Office.

9. Since its introduction in 1984, Haynes has advertised and promoted C-22 alloy in brochures, industry publications such as Chemical Engineering, Chemical Processing and Materials Performance, magazines, on its website, and at approximately six to eight trade shows per year. The product brochure for C-22 alloy is on Haynes' website. In addition, over 25 technical papers have been written describing uses of, and tests conducted on, Haynes' C-22 alloy. Haynes distributes these technical papers at various trade shows. During the past ten years, Haynes' average worldwide sales of its C-22 alloy have been about $22.8-million, and its average sales to customers in the United States have been about $10-million. Haynes annually spends about $10,000.00 to advertise and promote its alloy products sold under its C-22 trademark. As a result of Haynes' extensive sales and advertising of its C-22 alloy, C-22 is well known among purchasers and users of corrosion resistant alloys and is a strong mark.

10. The price of Haynes' C-22 alloy is similar to comparable alloys and is dependent upon the quantity ordered. Haynes sells to a variety of different consumers who purchase in different quantities. The degree of care exercised by consumers often will depend on the price of the alloy which is dictated by the amount purchased. For example, Haynes sells mill quantities to consumers who purchase in large volumes of 650-pounds or more. Haynes also sells to service centers who will sell the alloy in lesser amounts. Additionally, Haynes sells to fabricators and resellers. Fabricators will form the alloy into a product or into parts that are assembled with other parts to form a product, and sell the product to an end user. Resellers will cut various forms of the alloy to any size and resell the alloy in smaller quantities.

11. Haynes permits its customers who resell or fabricate Haynes alloys to use the Haynes' trademarks in advertising such products. However, Haynes actively polices use of its trademarks by others. Whenever Haynes discovers a third party misusing C-22 or another of it trademarks, or using C-22 or another Haynes trademark for products not made by Haynes, the company notifies the third party of the infraction and demands correction. In nearly every instance the third party has corrected the misuse or stopped the infringement after receiving such notice.

12. Haynes discovered Electralloy's website using C22 and EC22 in July, 2003, and sent a cease and desist letter to Electralloy on July 18, 2003, demanding that Electralloy stop using C22 and EC22. Despite that notice of Haynes' trademark, Electralloy continued to use C22 and EC22 for the same alloy composition as Haynes' alloy C-22.

13. The use of C22, EC22 and GOC22 by Electralloy for the same alloy that Haynes sells under its registered C-22 trademark is likely to cause confusion and mistake. This is particularly true among those purchasers of corrosion resistant alloys who buy from resellers and fabricators. A reseller or fabricator who receives an order for C-22 alloy bar or other form from a reseller who has purchased an alloy of similar composition from Electralloy and has the material in stock is likely to fill the order for C-22 alloy with the Electralloy material. Similarly, a fabricator asked to make a part from C-22 alloy who has defendant's material may choose to fill the order with the material made by Electralloy. Even if the reseller or fabricator identifies the material as EC22 the designation EC22 is so similar to C-22 that the purchasers may not notice the difference or may attribute the difference to a typographical error, believing he or she received Haynes' material.

14. Should Electralloy be permitted to continue to sell and offer to sell an alloy under the designations C22, EC22 or GOC22, particularly an alloy having the same or similar composition as C-22 alloy, Haynes could suffer irreparable damage.

I declare that the foregoing is true and correct, that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.

Date: September 26, 2005

Paul Manning

Paul Manning